

# **STAFF REPORT**

## *City Council Consent Item*

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**DATE:** February 6, 2023

**TO:** Honorable Mayor and Council Members

**FROM:** Cameron Mull, Director of Parks & Recreation

**THROUGH:** Merritt Perry, City Manager

**SUBJECT:** **Supplemental Budget Request for Demolition of Monday Club Chimney**

### **STAFF RECOMMENDATION:**

Approve the Supplemental Budget Request (SBR) to pay for the demolition of the Monday Club chimney due to a hazardous condition.

### **EXECUTIVE SUMMARY:**

On December 20, 2023, a 6.4 earthquake struck Fortuna and Humboldt County. Due to the earthquake, the brick chimney column at the Monday Club was compromised, deemed hazardous, and was ultimately red tagged by the Building Department. This situation needed immediate attention in order to remove the safety hazard to the public and lift the red tag so the facility could be occupied and rented again.

Wendt Construction was contacted and they offered their services to eliminate the hazard in a timely manner. Due to the facilities' limited Building Maintenance and Repairs annual expense budget of \$2,150, the amount required to expeditiously demolish the chimney and eliminate the hazard by Wendt Construction came to \$4,666.

Of the \$2,150 in the current Fiscal Year (FY22-23) budget, there exists \$1,644 remaining for the Monday Club in Building Maintenance and Repairs. City staff is requesting an increase of \$3,500 to the Monday Club's annual budget to cover this additional expense, and leave some remaining (approximately \$500) for any other potential costs that may arise this fiscal year for the Monday Club.

### **FISCAL IMPACT:**

Approval of this SBR will increase the Monday Club's budget for Building Maintenance and Repairs (160-5740-5700) by \$3,500 (from \$2,150 to a total of \$5,650) and will cover the full cost for the chimney demolition of \$4,666, and leave approximately \$500 in the budget for the remainder of the year.

Due to the River Lodge / Monday Club, Fund 160, not having any reserves and being supported by the General Fund for FY 22-23 the \$3,500 being added to the budget will need to come from General Fund reserves.

**RECOMMENDED ACTION:**

Approve the SBR and authorize City staff to pay expenses related to the demolition of the Monday Club's chimney due to an earthquake. Consent agenda vote.

**ATTACHMENTS:**

- Supplemental Budget Request